

RECORDATION NO. 9754 Filed & Recorded

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MAY 1 1978-9 30 AM GRAYATH, SWAINE & MOORE

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ONE CHASE MANHATTAN PLAZA

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212 HANOVER 2-3000

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MAY 1 1978-9 30 AM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 9754 Filed & Recorded

MAY 1 1978-9 30 AM

INTERSTATE COMMERCE COMMISSION

ROSWELL L. GILPATRICK
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JOHN H. MORSE
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CABLE ADDRESSES
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RECORDATION NO. 9754 Filed & Recorded

MAY 1 1978-9 30 AM

INTERSTATE COMMERCE COMMISSION

April 21, 1978

LOUISVILLE and Nashville Railroad Company
Lease Financing Dated as of February 1, 1978
8-7/8% Conditional Sale Indebtedness Due April 20, 1989

[CS&M Ref. 3750-017]

Dear Sir:

Herewith for recordation pursuant to Section 20c of the Interstate Commerce Act, on behalf of Louisville and Nashville Railroad Company, are counterparts of the following:

(1) Reconstruction and Conditional Sale Agreement No. 1 dated as of February 1, 1978, between Mercantile-Safe Deposit and Trust Company, as agent, vendor, The Connecticut Bank and Trust Company, as trustee, vendee and L&N Investment Corporation, as builder.

(2) Transfer Agreement No. 1 dated as of February 1, 1978, from The Connecticut Bank and Trust Company, as trustee and accepted by Mercantile-Safe Deposit and Trust Company, as agent.

(3) Lease of Railroad Equipment No. 1 dated as of February 1, 1978, between Louisville and Nashville Railroad Company, as lessee, and The Connecticut Bank and Trust Company, as trustee, lessor, vendee.

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CERTIFICATION UNIT

APR 31

(4) Assignment of Lease and Agreement No. 1 dated as of February 1, 1978, between The Connecticut Bank and Trust Company, as trustee, lessor, vendee and Mercantile-Safe Deposit and Trust Company, as agent, vendor.

(5) Hulk Purchase Agreement No. 1 dated as of February 1, 1978, from Louisville and Nashville Railroad Company, as seller and accepted by The Connecticut Bank and Trust Company, as trustee, buyer.

The addresses of the parties to the aforementioned agreements are:

Trustee-Owner-Trustee-Lessor-Vendee-Buyer:

The Connecticut Bank and Trust Company,
One Constitution Plaza,
Hartford, Connecticut 06115.

Builder:

L&N Investment Corporation,
908 West Broadway,
Louisville, Kentucky 40201.

Lessee-Railroad-Seller:

Louisville and Nashville Railroad Company,
908 West Broadway,
Louisville, Kentucky 40201.

Agent-Vendor:

Mercantile-Safe Deposit and Trust Company,
Two Hopkins Plaza,
P. O. Box 2258,
Baltimore, Maryland 21203.

The Hulks covered by the Transfer Agreement No. 1 and the Hulk Purchase Agreement No. 1 are listed in Exhibit A attached hereto. The reconstructed railroad equipment covered by the Reconstruction and Conditional Sale Agreement No. 1 and the Lease No. 1 are listed in Exhibit B attached hereto. The reconstructed railroad equipment bear the legend "Subject to a Security Agreement filed under the Interstate Commerce Act, Section 20c".

Enclosed is our check for \$200 for the required recordation fee. Please accept for recordation one counterpart of each of the enclosed agreements, stamp the remaining counterparts with your recordation number and return them to the delivering messenger along with your fee receipt, addressed to the undersigned.

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich,
as Agent for the Railroad

Robert L. Oswald, Esq., Secretary,
Interstate Commerce Commission,
Washington, D. C. 20423

Encls.

10A

BY HAND

EXHIBIT A

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
115	50-Ton Box Cars	L&N	97109, 97110, 97161, 97195, 97314, 97355, 98115, 98138, 98386, 98389, 98404, 98437, 98446, 98532, 98546, 98569, 108538, 108541, 108635, 108613, 108648, 108685, 108698, 108709, 108726, 108775, 108800, 108801, 108808, 108810, 108812, 108816, 108824, 108829, 108834, 108847, 108849, 108859, 108865, 108873, 108878, 108881, 108882, 108884, 108885, 108886, 108897, 108902, 108905, 108910, 108918, 108919, 108926, 108927, 108928, 108930, 108934, 108936, 108956, 108962, 108964, 108971, 108972, 108974, 108976, 108978, 108983, 108987, 108990, 109000, 109008, 109027, 109034, 109035, 109044, 109046, 109052, 109053, 109065, 109073, 109084, 109090, 109098, 109115, 109117, 109118, 109134, 109141, 109143, 109145, 109155, 109159, 109172, 109173, 109175, 109186, 109188, 109196, 109198, 109205, 109208, 109227, 109228, 109234, 109238, 109240, 109253, 109255, 109275, 109311, 109348, 109365, 109366, 109375, 109389

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
85	70-Ton Box Cars	L&N	100005, 100076, 100084, 100096, 100102, 100113, 100164, 100165, 100166, 100171, 100216, 100226, 100230, 100272, 100280, 100304, 100327, 100344, 100362, 100373, 100396, 100419, 100429, 100473, 100489, 100518, 100528, 100534, 100579, 100598, 100696, 100700, 100717, 100737, 100739, 100741, 100777, 102000, 102014, 102030, 102032, 102036, 102064, 102067, 102073, 102088, 102094, 102097, 102313, 102317, 102479, 102509, 102607, 102626, 102679, 102689, 102697, 102717, 102718, 102754, 102789, 103111, 103143, 103176, 103177, 103183, 103212, 103263, 103273, 103286, 103313, 103319, 103329, 103384, 103409, 103470, 103508, 103519, 103536, 103544, 103584, 103750, 103833, 103867, 103884
56	70-Ton Open- Top Hoppers	L&N	153014, 153019, 153199, 153229, 153255, 153277, 153308, 153408, 153427, 153479, 153494, 153537, 153571, 153574, 153581, 153618, 153843, 153892, 154018, 154092, 154120, 154126, 154145, 154215, 154320, 154628, 154688, 154712, 154713, 154827, 154861, 154917, 154940, 154952, 154955, 154968, 154972, 155002, 155030,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			155147, 155266, 155293, 155296, 155404, 155482, 155731, 155811, 155843, 155931, 155973, 156024, 156091, 156092, 156107, 156108, 156123
86	80-Ton Open- Top Hoppers	L&N	180067, 180227, 180436, 180575, 180616, 180617, 180804, 180833, 180914, 182298, 182415, 182439, 182549, 182589, 182827, 182877, 182887, 183048, 183056, 183156, 183344, 183492, 183498, 183614, 183621, 183932, 183985, 184089, 184116, 184143, 184208, 184361, 184533, 184829, 184841, 184850, 184926, 184942, 184953, 185025, 185288, 185356, 185623, 185728, 186223, 186289, 186339, 186364, 186384, 186408, 186411, 186495, 186621, 186736, 186964, 187060, 187193, 187234, 187242, 187404, 187488, 187537, 187746, 187908, 187987, 188211, 188323, 188359, 188444, 188477, 188486, 188619, 188666, 188900, 188947, 189028, 189065, 189155, 189163, 189256, 189257, 189271, 189308, 189327, 189377, 189381
33	100-Ton Open- Top Hoppers	L&N	191007, 191021, 191113, 191129, 191140, 191212, 191221, 191235, 191283, 191292, 191342, 191389, 191409, 191444, 191546, 191594, 191604, 191615,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			191634, 191638, 191640, 191645, 191659, 191667, 191670, 191697, 191724, 191754, 191763, 191772, 191787, 191809, 191886
218	70-Ton Gondola Cars	L&N	26007, 26016, 26017, 26019, 26033, 26040, 26046, 26057, 26062, 26077, 26085, 26087, 26088, 26089, 26090, 26100, 26114, 26134, 26161, 26164, 26179, 26185, 26232, 26234, 26260, 26285, 26288, 26720, 26736, 26740, 39005, 39059, 39070, 39098, 39100, 39103, 39105, 39125, 39145, 39146, 39147, 39153, 39155, 39172, 39173, 39193, 39195, 39202, 39226, 39227, 39231, 39233, 39235, 39239, 39242, 39245, 39270, 39279, 39286, 39287, 39290, 39291, 39293, 39301, 39311, 39331, 39353, 39356, 39372, 39391, 39394, 39395, 39398, 39404, 39405, 39411, 39415, 39421, 39425, 39430, 39439, 39455, 39479, 39488, 39506, 39510, 39522, 39566, 39572, 39574, 39578, 39626, 39631, 39660, 39672, 39684, 39688, 39708, 39712, 39717, 39773, 39780, 39786, 39788, 39805, 39816, 39825, 39855, 39864, 39872, 39886, 39887, 39897, 39913, 39916, 39934, 39960, 39979, 170003, 170016, 170037, 170083, 170125, 170217, 170224, 170232, 170258, 170267, 170270, 170273, 170289, 170291, 170298, 170309, 170333, 170389, 170399, 170413, 170430, 170439, 170457,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			170465, 170484, 170491, 170498, 170501, 170506, 170510, 170522, 170576, 170588, 170589, 170601, 170629, 170637, 170659, 170666, 170670, 170673, 170674, 170679, 170692, 170698, 170729, 170732, 170748, 170761, 170768, 170797, 170833, 170834, 170837, 170865, 170878, 170947, 170951, 170977, 171030, 171071, 171076, 171093, 171095, 171105, 171112, 171136, 171202, 171248, 171250, 171256, 171277, 171303, 171358, 171365, 171387, 171389, 171509, 171553, 171558, 171678, 171689, 171703, 171707, 171742, 171804, 171901, 171946, 172042, 172052, 172054, 173078, 173080, 173086, 173087, 173088, 173089, 173091, 173092, 173100
32	100-Ton Gondola Cars	L&N	175012, 175026, 175035, 175041, 175044, 175046, 175057, 175059, 175074, 175089, 175091, 175098, 176007, 176035, 176049, 176077, 176097, 176126, 176179, 176182, 176227, 176279, 176308, 176333, 176396, 176493, 176500, 176662, 176692, 176735, 176766, 176791
80	100-Ton Covered Hopper Cars	L&N	200088, 200159, 200160, 200200, 200212, 200225, 200263, 200309, 200318, 200321, 200342, 200400,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			200404, 200432, 200447, 200465, 200536, 200571, 201003, 201005, 201014, 201019, 201031, 201033, 201036, 201042, 201055, 201064, 201066, 201068, 201070, 201072, 201080, 201081, 201093, 201100, 201112, 201121, 201140, 201167, 201204, 201210, 201218, 201228, 201231, 201264, 201270, 201278, 201295, 201386, 201398, 201433, 201440, 201443, 201449, 201461, 201468, 201485, 201499, 240089, 240197, 240237, 240282, 250027, 250031, 250032, 250034, 250038, 250042, 250052, 250068, 250088, 250093, 250101, 250106, 250108, 250112, 250126, 250129, 250131
4	70-Ton Bulkhead Flat Cars	L&N	22508, 22636, 22643, 22771
4	100-Ton Bulkhead Flat Cars	L&N	22304, 22306, 22932, 22961,
32	50-Ton Flat Cars	MON	7201, 7203, 7206, 7212, 7220, 7221, 7224, 7229, 7231, 7234, 7235, 7236, 7242, 7246, 7247, 7248, 7250, 7607
		L&N	21406, 21414, 22264, 22269, 22273, 22274, 22291, 23902, 23903, 23904, 23906, 23910, 23912, 23914

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
50	70-Ton Covered Hopper Cars to Ballast Cars	L&N	37859, 37865, 37866, 37873, 37880, 37887, 37904, 37907, 37912, 37916, 37928, 37935, 37960, 37970, 37980, 37998, 38006, 38035, 38056, 38057, 38067, 38073, 38082, 38098, 38099, 38109, 38124, 38138, 38141, 38155, 38162, 38228, 38263, 38269, 38282, 38285, 38290, 38309, 38324, 38335, 38337, 38342, 38352, 38361, 38387, 38407, 38426, 38434, 38445, 38524
33	50-Ton Pulpwood Cars to Welded Rail Cars	L&N	20516, 20542, 20553, 20558, 20574, 20593, 20624, 20633, 20659, 20682, 20693, 20694, 20720, 20726, 20728, 20729, 20740, 20772, 20797, 20798, 20803, 20809, 20817, 20848, 20877, 20906, 20914, 20929, 20941, 20961, 20963, 20966, 20968

828

* Although this Exhibit sets forth the description of 828 Hulks, Transfer Agreement No. 1 dated as of the date hereof, between Mercantile-Safe Deposit and Trust Company, as Agent, and The Connecticut Bank and Trust Company, as Trustee, will cover only those Hulks which are delivered to the Trustee for reconstruction into Units of Equipment having an aggregate purchase price not exceeding \$7,100,000 under Reconstruction and Conditional Sale Agreement No. 1, dated as of the date hereof, between Mercantile-Safe Deposit and Trust Company as Agent, L&N Investment Corporation and The Connecticut Bank and Trust Company as Trustee. Following completion of deliveries, this Exhibit will be amended to delete from the description those Hulks not covered.

EXHIBIT B

<u>Quantity*</u>	<u>AAR Mechanical Designation</u>	<u>Description</u>	<u>L&N* Railroad Road Numbers (Inclusive)</u>	<u>Builder's Specification Number</u>
105	XL	50-Ton Box Cars	96489-96593	L&N 78-1
10	XM	50-Ton Box Cars	110242-110251	L&N 78-1
49	XL	70-Ton Box Cars	112368-112416	L&N 78-1
36	XM	70-Ton Box Cars	112841-112876	L&N 78-1
56	HT	70-Ton Open Top Hoppers	76394-76449	L&N 78-2
86	HT	80-Ton Open Top Hoppers	189558-189643	L&N 78-2
33	HT	100-Ton Open Top Hoppers	192057-192089	L&N 78-2
206	GB	70-Ton Gondola Cars	26745-26747 27327-27398 27554-27644 27748-27763 29020-29041 29200-29201	L&N 78-3
2	GBS	70-Ton Gondola Cars	26283-26284	L&N 78-3
1	GBSR	70-Ton Gondola Car	26259	L&N 78-3

<u>Quantity*</u>	<u>AAR Mechanical Designation</u>	<u>Description</u>	<u>L&N* Railroad Road Numbers (Inclusive)</u>	<u>Builder's Specification Number</u>
9	LG	70-Ton Gondola Cars	27399-27405 27764-27765	L&N 78-3
12	GBS	100-Ton Gondola Cars	27983-27994	L&N 78-3
20	GB	100-Ton Gondola Cars	27645-27664	L&N 78-3
80	LO	100-Ton Covered Hopper Cars	201615-201655 205158-205179 250500-250516	L&N 78-4
8	FMS	70-Ton Flat Cars	22295 23916-23922	L&N 78-8
4	FB	70-Ton Bulkhead Flat Cars	990602, 990910 991004, 991005	L&N 78-5
2	FB	100-Ton Bulkhead Flat Cars	990309, 990310	L&N 78-5
2	FB	100-Ton Bulkhead Flat Cars	990400, 990401	L&N 78-5
24	FM	50-Ton Flat Cars	21510 21553-21556 21748-21766	L&N 78-8
50	LO	70-Ton Covered Hopper Cars to Ballast Cars	45101-45150	L&N 78-6

<u>Quantity*</u>	<u>AAR Mechanical Designation</u>	<u>Description</u>	<u>L&N* Railroad Road Numbers (Inclusive)</u>	<u>Builder's Specification Number</u>
33	LP	50-Ton Pulpwood to Welded Rail Cars	42934-42966	L&N 78-7
828				

* Although this Exhibit B sets forth the description of 828 Units, Lease No. 1, dated as of the date hereof, between The Connecticut Bank and Trust Company, as Trustee, Lessor, and Louisville and Nashville Railroad Company, Lessee, will cover only those Units, having an aggregate purchase price not exceeding \$7,100,000, which are delivered to said Lessor under Reconstruction and Conditional Sale Agreement No. 1, dated as of the date hereof, between Mercantile-Safe Deposit and Trust Company, as Agent, L&N Investment Corporation and said Lessor. Following completion of deliveries, this Exhibit B will be amended to delete from the description those Units not covered.

70 #5
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RECORDATION NO. Filed & Recorded

MAY 1 1978 -9 30 AM

INTESTATE COMMERCE COMMISSION

[CS&M Ref: 3750-017]

ASSIGNMENT OF LEASE AND AGREEMENT
(No. 1)

Dated as of February 1, 1978

between

THE CONNECTICUT BANK AND TRUST COMPANY,
not in its individual capacity but solely as Owner Trustee

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,
not in its individual capacity but solely
as Agent

ASSIGNMENT OF LEASE AND AGREEMENT

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ASSIGNMENT OF LEASE AND AGREEMENT No. 1 dated as of February 1, 1978, by and between THE CONNECTICUT BANK AND TRUST COMPANY, not in its individual capacity but solely as Trustee under an amended Trust Agreement No. 1 dated as of the date hereof (hereinafter called the Lessor or the Vendee) with NORTHWESTERN NATIONAL BANK OF MINNEAPOLIS AND AMERICAN SECURITY BANK, N.A. (hereinafter individually called a Beneficiary and collectively the Beneficiaries), and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, not in its individual capacity but solely as Agent (hereinafter called the Vendor), under a Participation Agreement No. 1 dated as of the date hereof.

The Vendee and the Vendor are entering into a Reconstruction and Conditional Sale Agreement No. 1 dated as of the date hereof (hereinafter called the Security Document), with L&N Investment Corporation providing for the sale to the Vendee of the interest of the Vendor in such units of railroad equipment (hereinafter called the Units) described in Schedule A thereto as are delivered to and accepted by the Vendee thereunder.

The Lessor and Louisville and Nashville Railroad Company (hereinafter called the Lessee) have entered into a Lease of Railroad Equipment No. 1 dated as of the date hereof (hereinafter called the Lease), providing for the leasing by the Lessor to the Lessee of the Units.

In order to provide security for the obligations of the Lessor under the Security Document and as an inducement to the Vendor to invest in the Conditional Sale Indebtedness (as that term is defined in the Security Document), the Lessor has agreed to assign for security purposes its rights in, to and under the Lease to the Vendor.

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Lessor hereby assigns, transfers and sets over unto the Vendor, as collateral security for the payment

and performance of the obligations of the Lessor as Vendee under the Security Document, all the Lessor's right, title and interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Lessor from the Lessee under or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise (such moneys being hereinafter called the Payments), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Lessor is or may become entitled to do under the Lease; provided, however, that such assignment and transfer shall be limited to the rights and interests of the Lessor under the Lease as above described and shall in no way be deemed to assign any right, title and interest, powers, privileges or other benefits of any Beneficiary which it may have obtained from the Lessee or otherwise with respect to the Units, including, without limitation, all right, title and interest, powers, privileges and benefits of each Beneficiary arising under the Indemnity Agreement dated as of the date hereof between such Beneficiary and the Lessee and any indemnity payable to any Beneficiary under Section 8 of the Lease and indemnities or tax payments payable or to be reimbursed to any Beneficiary under Section 5 of the Lease, which amount shall be paid directly thereto. In furtherance of the foregoing assignment, the Lessor hereby irrevocably authorizes and empowers the Vendor in its own name, or in the name of its nominee, or in the name of the Lessor or as its attorney, to ask, demand, sue for, collect and receive any and all sums to which the Lessor is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Vendor agrees to accept any Payments made by the Lessee for the account of the Lessor pursuant to Section 2 of the Lease. To the extent received, the Vendor will apply such Payments to satisfy the obligations of the Lessor under the Security Document, and to provide for the payments required to be made by the Lessor to the Vendor pursuant to the last paragraph of Paragraph 9 of the Participation Agreement under which the Vendor is acting as Agent, and so long as no event of default (or event which, with notice or lapse of time, or both, could constitute an event of default) under the Security Document shall have occurred and be continuing, any balance shall be paid promptly to the Lessor not later than the first business day following such receipt at such place as the Lessor shall specify in writing. If the Vendor shall not receive any rental payment under the first para-

graph of Section 2 of the Lease when due, the Vendor shall notify the Lessor at the address set forth in the Lease; provided, however, that the failure of the Vendor to so notify the Lessor shall not affect the obligations of the Lessor hereunder or under the Security Document.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify the liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Lessor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Lessor or persons other than the Vendor.

3. To protect the security afforded by this Assignment the Lessor agrees that, without the written consent of the Vendor, the Lessor will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease and the Lessor agrees that any amendment, modification or termination thereof without such consent shall be void; provided, however, that the Lessor may amend or supplement the Lease to provide for an increase or decrease of amounts due as rentals under Section 2 thereof and/or Casualty Values under Section 6 thereof provided that no such decrease shall reduce said amounts below that which are necessary to satisfy the obligations of the Lessor under the Security Document, notwithstanding any limitation of liability of the Lessor contained therein.

4. The Lessor does hereby constitute the Vendor the Lessor's true and lawful attorney, irrevocably, with full power (in the name of the Lessor, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Lessor is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings

which the Vendor may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Lessor's obligations under the Security Document and the Participation Agreement, this Assignment and all rights herein assigned to the Vendor shall terminate, and all estate, right, title and interest of the Vendor in and to the Lease shall revert to the Lessor.

6. If an event of default under the Security Document shall occur and be continuing, the Vendor may declare all sums secured hereby immediately due and payable and may apply all such sums against the amounts due and payable under the Security Document.

7. The Lessor will, from time to time, do and perform any other act and will execute, acknowledge, deliver and file, register, deposit and record (and will refile, re-register, re-record or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Vendor in order to confirm or further assure, the interests of the Vendor hereunder.

8. The Vendor may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Vendor hereunder.

9. The Lessor will pay and discharge any and all claims, liens, charges or security interests (other than created by the Security Document) on the Lease or the rentals or other payments due or to become due thereunder claimed by any party from, through or under the Lessor, or its successors and assigns (other than the Vendor), not arising out of the transactions contemplated by the Security Document or the Lease (but including tax liens arising out of the receipt of the income and proceeds from the Units) which, if unpaid, might become a claim, lien, charge or security interest on or with respect to the Lease or such rentals or other payments equal or superior to the Vendor's interest therein, unless the Lessor shall be contesting the same in good faith by appropriate proceedings in any reasonable manner and the

nonpayment thereof does not, in the opinion of the Vendor, adversely affect such interests of the Vendor.

10. This Assignment shall be governed by the laws of the State of Connecticut, but the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

11. The Lessor shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Vendor at its address set forth in Article 20 of the Security Document, or at such other address as the Vendor shall designate.

12. The Vendor hereby agrees with the Lessor that the Vendor will not, so long as no Event of Default under the Lease or event of default under the Security Document has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Lessor to the Vendor by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that, subject to the terms of the Lease and the Security Document, the Lessor may, so long as no event of default under the Security Document or Event of Default under the Lease has occurred and is continuing, exercise or enforce, or seek to exercise or enforce or avail itself of, such rights, powers, privileges, authorizations or benefits.

13. Notwithstanding any other provision of this Assignment (including, but not limited to, any provision of the first paragraph of Paragraph 1 and Paragraph 3 hereof), (a) the terms of this Assignment shall not impose any obligations on the Lessor in addition to the obligations of the Lessor under the Lease or under the Security Document or in any way limit the effect of the last paragraph of Article 3 of the Security Document, Article 21 of the Security Document or Section 22 of the Lease, (b) so long as there is no event of default under the Security Document, and to the extent that the Vendor does not seek to receive and collect any Payments under the Lease in excess of the amounts required to discharge the obligations of the Lessor under the Security Document, the terms of this Assignment shall not limit or in any way affect the Lessor's right to receive and collect any Payments under the Lease in excess of the obligations of the Lessor under the Security Document, or empower the Vendor in

any way to waive or release the Lessee's obligation to pay such excess amounts, and the Lessor shall continue to be empowered to ask, demand, sue for, collect and receive any and all of such excess amounts, but shall not take any action under subparagraph (b) of Section 9 of the Lease without the written consent of the Vendor and (c) each and all of the representations, undertakings and agreements herein made on the part of the Lessor are each and every one of them made and intended not as personal representations, undertakings and agreements by the Lessor in its individual capacity or for the purpose or with the intention of binding the Lessor personally but are made and intended for the purpose of binding only the Trust Estate as such term is used in the Trust Agreement, and this Assignment is executed and delivered by the Lessor solely in the exercise of the powers expressly conferred upon the Lessor as trustee under the Trust Agreement, and that no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Lessor, except for wilful misconduct or gross negligence, or against any Beneficiary under the Trust Agreement or on account of any representation, undertaking or agreement herein of the Lessor, either expressed or implied, all such personal liability, if any, being expressly waived and released by the Vendor and by all persons claiming by, through or under the Vendor; provided, however, that the Vendor or any person claiming by, through or under it, making claim hereunder, may look to said Trust Estate for satisfaction of the same.

14. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by both parties so long as each party shall sign at least one counterpart. This Assignment shall be valid, binding and effective at such time as the Vendor shall have executed a counterpart and received (or as to which the Vendor shall have received attested telegraphic communication confirming execution of) a counterpart executed by the Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized, and their respec-

by Frederick Cavanaugh
Authorized Officer

Attest:

Authorized Officer

by

Assistant Vice President

Attest:

Corporate Trust Officer

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF HARTFORD,)

On this 21st day of April 1978, before me personally appeared **F. W. KAWAM**, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of THE CONNECTICUT BANK AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Barbara L. Smith

Notary Public

BARBARA S. KACICH

NOTARY PUBLIC

MY COMMISSION EXPIRES MARCH 31, 1982

[Notarial Seal]

My Commission expires

STATE OF MARYLAND,)
) ss.:
CITY OF BALTIMORE,)

On this day of April 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[Notarial Seal]

My Commission expires

LESSEE'S CONSENT AND AGREEMENT

The undersigned, LOUISVILLE AND NASHVILLE RAILROAD COMPANY, a corporation duly incorporated under the laws of the Commonwealth of Kentucky, the Lessee (hereinafter called the Lessee) named in the Lease (hereinafter called the Lease) referred to in the foregoing Assignment of Lease and Agreement (hereinafter called the Assignment), hereby (a) acknowledges receipt of a copy of the Assignment and (b) consents to all the terms and conditions of the Assignment and agrees that:

(1) it will pay all rentals, casualty payments, liquidated damages, indemnities (except as otherwise provided in the proviso in the first paragraph of Paragraph 1 of the Assignment) and other moneys provided for in the Lease directly to Mercantile-Safe Deposit and Trust Company, not in its individual capacity but solely as Agent (hereinafter called the Vendor), the assignee named in the Assignment, at P.O. Box 2258, Baltimore, Maryland 21203, Attention of Corporate Trust Department (or at such other address as may be furnished in writing to the undersigned by the Vendor);

(2) the Vendor shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the undersigned under the Lease as though the Vendor were named therein as the Lessor;

(3) the Vendor shall not, by virtue of the Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Vendor, be amended, terminated or modified, nor shall any action be taken or omitted by the undersigned, the taking or omission of which might result in an alteration or impairment of the Lease or this Consent and Agreement or of any of the rights created by any thereof.

This Consent and Agreement may be executed in several counterparts, each of which when so executed shall be deemed an original, and such counterparts together shall constitute one and the same instrument. It shall not be necessary that any counterpart be signed by both the Lessee and

the Vendor so long as the Lessee and Vendor each shall sign at least one counterpart. This Consent and Agreement shall be valid, binding and effective at such time as the Vendor shall have executed a counterpart and shall have received (or as to which the Vendor shall have received attested telegraphic communication confirming execution of) a counterpart executed by the Lessee.

This Consent and Agreement, when executed as aforesaid by the Lessee and when accepted as aforesaid by the Vendor, shall be deemed to be a contract under the laws of the Commonwealth of Kentucky and, for all purposes, shall be construed in accordance with the laws of said State.

Dated as of February 1, 1978

LOUISVILLE AND NASHVILLE
RAILROAD COMPANY,

by

[Corporate Seal]

Assistant Vice President

Attest:

Assistant Secretary

The foregoing Consent and Agreement is hereby accepted, as of the 1st day of February 1978.

MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY, not in its
individual capacity but
solely as Agent,

by

[Corporate Seal]

Assistant Vice President

Attest:

Corporate Trust Officer

COMMONWEALTH OF KENTUCKY,)
) ss.:
 COUNTY OF JEFFERSON,)

On this day of April 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is Assistant Vice President of LOUISVILLE AND NASHVILLE RAILROAD COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[Notary Seal]

My Commission expires

STATE OF MARYLAND,)
) ss.:
 CITY OF BALTIMORE,)

On this day of April 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[Notary Seal]

My Commission expires

Interstate Commerce Commission
Washington, D.C. 20423

5/1/78

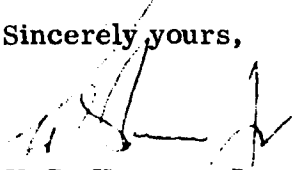
OFFICE OF THE SECRETARY

Laurance V. Goodrich
Cravath,BSwaine & Moore
One Chase Manhattan Plaza
New York, N.Y.

Dear Sir:

The enclosed document(s) was recorded pursuant to the
provisions of Section 20(c) of the Interstate Commerce Act,
49 U.S.C. 20(c), on 5/1/78 at 9:30am ,
and assigned recordation number(s) 9354,9354-A,9354-B,9354-C & 9354-D

Sincerely yours,


H.G. Homme, Jr.
Acting Secretary

Enclosure(s)

SE-30-T
(6/77)